



**PRESS RELEASE**

**23 July 2008**

**MIDMAR ENERGY CONFIRMS MEDIA COVERAGE  
ON IRAQ JOINT VENTURE**

Midmar Energy Ltd (“Midmar”), the UK entrepreneurial oil and gas exploration and production company, today confirms that, further to recent media articles, its associate company, Mesopotamia Petroleum Company (“MPC”), is in the advanced stages of discussion regarding the establishment of a joint venture with the Iraq Government owned Iraq Drilling Company (“IDC”).

MPC confirms that talks concerning the establishment of a joint venture with IDC, under a mandate from the Iraq Ministry of Oil, have reached an advanced stage. MPC is delighted to see such positive comments from the Iraqi Minister of Oil, His Excellency Hussain al-Shahristani, and IDC's Director-General, Idriss al-Yasseri, and looks forward to gaining ratification from the relevant authorities ahead of commencing operations. A further announcement will be made in due course.

Midmar formed MPC in 2005, with its partners, as an oil and gas company established for the specific purpose of undertaking operations in Iraq. Midmar holds a 32.67% interest.

**Dr Thomas Redman, Managing Director of Midmar, stated:**

“We welcome the comments made by the Iraqi Minister of Oil and IDC’s Director General, and we look forward the opportunity to work with them in supporting the future development of the Country’s expertise and its oil and gas resources. We anticipate the formal ratification of our agreements in order to progress our work in Iraq.”

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*Further information on Midmar can be found on the Company’s website at  
<http://www.midmar.co.uk>*